

Message Text

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C O N F I D E N T I A L STATE 176499

EXCON

E.O. 11652: XGDS-1

TAGS: ESTC, COCOM, CH, FR

SUBJECT: FRENCH SALE OF SUPER FRELON HELICOPTERS TO PRC -
IL 1460

REF: A. COCOM DOC (73)292

B. OECD PARIS 29907

C. STATE 143173

1. SUMMARY:

WE BELIEVE FRENCH MAY BE PROCEEDING WITH SHIPMENT
OF SUPER FRELON HELICOPTERS TO THE PRC DESPITE FACT
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THAT THE U.S. HAS NEVER LIFTED ITS RESERVATION IN COCOM
BASED ON NEED FOR PRIOR ASSURANCES FROM THE PRC AS TO
CIVILIAN USE OF THE HELICOPTERS. WE THINK IT IMPORTANT
TO RESTATE THE U.S. POSITION AND FIND OUT WHETHER FRENCH

ARE ABLE TO PROVIDE ANY ADDITIONAL EVIDENCE OF CIVILIAN
USE IN THIS CASE SINCE IT WAS LAST DISCUSSED WITH THEM.
END SUMMARY.

2. BACKGROUND:

FRENCH PROPOSAL TO EXPORT SUPER FRELONS TO PRC WAS FIRST
RAISED BY FOREIGN MINISTER SCHUMANN WITH SECRETARY OF STATE
ROGERS IN JUNE 1971. IN AUGUST 1971 A U.S. GOVERNMENT
RESPONSE WENT BACK THAT BECAUSE MILITARY AND CIVIL
HELICOPTERS ARE SIMILAR, EITHER VERSION MIGHT MAKE A
SIGNIFICANT MILITARY CONTRIBUTION TO THE PRC; IN ANY EVENT,

WE WOULD OPPOSE THE EXPORT OF ANY PRODUCTION TECHNOLOGY
FOR EITHER THE SUPER FRELON OR THE UNEMBARGOED SMALLER
SA330 AND WOULD ALSO OPPOSE IN COCOM THE EXPORT OF
SUPER FRELONS THEMSELVES. (REF C)

3. ON DECEMBER 9, 1972, DURING BILATERAL MILITARY TALKS
IN PARIS BETWEEN FRENCH AND ASSISTANT SECRETARY NUTTER
OF DEFENSE, THE DIPLOMATIC ADVISER TO FRENCH DEFENSE
MINISTER ASKED WHAT U.S. POSITION WOULD BE ON A POSSIBLE
FRENCH SALE OF SUPER FRELON HELICOPTERS TO PRC, NOTING
THAT THERE WAS A QUESTION OF WHETHER THE U.S. WOULD APPROVE
USE OF THE SIKORSKY ROTOR SYSTEM BY THE FRENCH FIRM, AS
WELL AS THE QUESTION OF A COCOM DECISION. DR. NUTTER
SUBSEQUENTLY GAVE FRENCH WHAT HE DESCRIBED AS AN INFORMAL
POSITION TO THE EFFECT THAT IF THE CHINESE PROVIDED
ASSURANCES OF CIVIL END USE, DEFENSE WOULD NOT OPPOSE
A COCOM DECISION TO PERMIT THE SALE OF SOME 30 SUPER FRELON
HELICOPTERS TO THE PRC, NOR A U.S. GOVERNMENT DECISION TO
PERMIT EXPORT OF SIKORSKY COMPONENTS. THIS WAS QUALIFIED
AS A DEFENSE POSITION, AND WAS FURTHER QUALIFIED BY THE
STATEMENT: "FRANKLY, WE DOUBT CHINA WOULD BE WILLING TO
GIVE SUCH ASSURANCES."

4. ON FEBRUARY 14, 1973, FRENCH PROPOSED IN COCOM APPROVAL
OF UP TO 30 CIVIL VERSION SUPER FRELON SA321J HELICOPTERS
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TO THE PRC. THE NUMBER WAS SUBSEQUENTLY MODIFIED AS 12
NEW AND 1 USED.

5. ON MARCH 14, 1973, ALL COCOM MEMBERS OTHER THAN
UNITED STATES APPROVED THE TRANSACTION. ON MARCH 20, U.S.
RESERVED ITS POSITION PENDING RECEIPT FROM THE FRENCH
DELEGATION OF:

"1) A STATEMENT FROM THE PEOPLE'S REPUBLIC OF CHINA
REGARDING THE SPECIFIC USES TO WHICH THESE HELICOPTERS
WOULD BE PUT; 2) AN OFFICIAL ASSURANCE FROM THE
CHINESE GOVERNMENT THAT THE HELICOPTERS WOULD BE PUT
ONLY TO CIVIL END-USES. FURTHERMORE INFORMATION

REGARDING THE LOCATION AT WHICH THE HELICOPTERS WOULD BE STATIONED AND REGARDING THE ORGANIZATION WHICH WOULD CONTROL AND ADMINISTER THEIR FLIGHTS WOULD BE MOST HELPFUL."

FRENCH DELEGATE TOOK STRONG EXCEPTION TO THE U.S. CONDITIONS WHICH HE REGARDED AS TANTAMOUNT TO REJECTION SINCE THE CHINESE GOVERNMENT HAD REPEATEDLY AND CATEGORICALLY REFUSED REQUESTS FOR INFORMATION OF THIS KIND; HOWEVER, HE SAID HE WOULD TRANSMIT TO FRENCH AUTHORITIES THE U.S. POSITION, INCLUDING THE CLARIFICATION IN THE DISCUSSION --

I.E., THAT "U.S. AUTHORITIES WISHED ABOVE ALL TO OBTAIN INFORMATION ON THE END-USE OF THE HELICOPTERS" WHILE THE INFORMATION ON LOCATION AND OPERATING ORGANIZATION WOULD BE "EXTREMELY HELPFUL" BUT ITS ABSENCE WOULD NOT IN ITSELF NECESSARILY RESULT IN AN OBJECTION. (COCOM DOC (73) 513)

6. ON NOVEMBER 20, 1973, FRENCH CASE WAS RAISED IN COCOM BY GERMAN DELEGATE WHO CALLED ATTENTION TO AN ARTICLE IN LE MONDE REPORTING THAT FRANCE AND THE PRC HAD REACHED AN AGREEMENT IN PRINCIPLE ON THE PURCHASE BY THE PRC OF 13 SUPER FRELON HELICOPTERS. THE ARTICLE ALSO ASSERTED THAT COCOM HAD GIVEN APPROVAL IN PRINCIPLE ALTHOUGH THE UNITED STATES COULD RAISE AN OBJECTION, ACCORDING TO THE ARTICLE, CONCERNING CERTAIN U.S. COMPONENTS WHICH COULD BE CONSIDERED STRATEGIC. THE FRENCH DELEGATE SAID THAT ON BASIS OF BILATERAL EXCHANGES AND U.S.-FRENCH CORRESPONDENCE, CONFIDENTIAL

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DENCE ON A "HIGHER LEVEL" HIS AUTHORITIES HAD CONSIDERED THE MATTER "CLOSED." U.S. DELEGATE POINTED OUT THAT MATTERS STAND AS RECORDED IN MARCH WITH THE U.S. HAVING REQUESTED CERTAIN INFORMATION AND ASSURANCES BUT HAVING NOT RECEIVED THEM. FRENCH DELEGATE SAID HE WOULD CHECK INTO THE FACTS BUT IF FRENCH GOVERNMENT AUTHORIZATION WERE IN FACT GIVEN AND TRANSACTIONS CONCLUDED HE SAW LITTLE LIKELIHOOD THAT IT COULD BE ABORTED. (REF B)

7. LATER IN THE DAY NOVEMBER 20 THE FRENCH DELEGATE CONFIRMED THAT A CONTRACT HAD BEEN SIGNED NOVEMBER 9 OR 10 FOR 13 CIVILIAN HELICOPTERS FOR CIVILIAN SEARCH AND RESCUE USE -- A USE DIFFERENT FROM WHAT FRENCH HAD STATED IN MARCH, NAMELY, THAT THE HELICOPTERS WOULD BE USED FOR TRANSPORT OF WORKERS AND FOOD SUPPLIES ON CIVILIAN PROJECTS. HE ALSO STATED INCORRECTLY THAT U.S. DEPARTMENT OF COMMERCE HAD APPROVED UNITED AIRCRAFT LICENSING OF ROTORS FOR THE HELICOPTERS. IN FACT, COMMERCE REQUIREMENTS WERE SAME AS U.S. POSITION IN COCOM ON FRENCH CASE. U.S. DELEGATE URGED THAT FRENCH GOVERNMENT SEEK TO REVOKE ITS APPROVAL OR DELAY IMPLEMENTATION OF THE CONTRACT PENDING CLARIFICATION OF COCOM

ASPECTS OF THE CASE AND THE QUESTION OF USE BY FRENCH FIRM OF U.S. COMPONENTS. FRENCH DELEGATE MAINTAINED THAT THIS WOULD NOT BE POSSIBLE.

8. FURTHER CORRESPONDENCE BETWEEN U.S. AND FRENCH DELEGATES FINALLY RESULTED IN TRANSMITTAL BY FRENCH ON DECEMBER 6, 1973 OF A QUOTATION FROM THE CONTRACT AS SUFFICIENT EVIDENCE -- IN EYES OF FRENCH GOVERNMENT -- OF CIVIL END USE. THE CLAUSE WAS AS FOLLOWS:

"SUBJECT TO THE PROVISIONS OF THIS CONTRACT,

THE BUYERS AGREE TO PURCHASE FROM THE SELLERS AND THE SELLERS AGREE TO SELL AND DELIVER TO THE BUYERS:

"12 MODEL SA 311 JA SUPER FRELON HELICOPTERS CIVIL VERSION FOR TRANSPORT, SEARCH AND RESCUE ON LAND AND AT SEA (HEREINAFTER REFERRED TO AS CONFIDENTIAL

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"HELICOPTERS"); BRAND NEW, UNUSED AND RECENTLY MADE...

"ONE SECOND-HAND SA 321 JA SUPER FRELON HELICOPTER SERIAL NUMBER 145, CIVIL VERSION FOR TRANSPORT, SEARCH AND RESCUE ON LAND AND AT SEA, IN ACCORDANCE WITH DETAIL SPECIFICATIONS ATTACHED HERETO AS EXHIBIT 1."

9. FRENCH GOVERNMENT REGARDS THIS AS A SATISFACTORY ASSURANCE. AS EARLY AS MARCH 14, 1973 DEFENSE MINISTER DEBRE'S DIPLOMATIC ADVISER TOLD AMERICAN EMBASSY THAT WHILE THE FRENCH DID NOT GET AN EXPLICIT CIVILIAN END USE ASSURANCE FROM THE CHINESE, "THE CIVILIAN END USE WAS CLEARLY IMPLICIT GIVEN CONDITIONS OF THE FRENCH OFFER AND CHINESE ACCEPTANCE." (PARIS TELEGRAM 6511)

10. ON MAY 10, 1974, THERE WAS A PRESS REPORT DATED PEKING CITING THE DELIVERY OF FIRST OF 13 SUPER FRELON HELICOPTERS. THIS MIGHT LIKELY HAVE BEEN THE USED HELICOPTER WHICH WAS ONE OF THE 13 CONTRACTED FOR. SINCE PRODUCTION LINE FOR THIS VERSION WOULD HAVE TO BE RE-ESTABLISHED THERE WOULD BE DELAY BEFORE ADDITIONAL HELICOPTERS COULD BE DELIVERED. FRENCH MAY NOW BE IN POSITION TO BEGIN DELIVERY OF REMAINING 12. END BACKGROUND

11. ACTION:
THE PROBLEM THE U.S. HAS HAD WITH THE FRENCH POSITION IS THAT THERE IS NO DIRECT STATEMENT FROM A PRC GOVERNMENT AUTHORITY AS TO WHERE THE HELICOPTERS WILL BE ASSIGNED, WHAT THEY WILL BE USED FOR, AND THAT THEY WILL

BE USED ONLY FOR CIVILIAN PURPOSES AND NOT TRANSFERRED
TO MILITARY USES.

12. AGAINST FOREGOING BACKGROUND OF THE CASE EMBASSY
AFTER CONSULTATION WITH USDEL TO COCOM SHOULD DISCUSS
IT WITH THE FRENCH GOVERNMENT AT APPROPRIATE
LEVEL MAKING THE FOLLOWING POINTS:

A. U.S. CONTINUES TO HAVE THE CONCERNS SET FORTH IN
THE COCOM CONSIDERATION OF THE CASE THAT WITHOUT PRC
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ASSURANCES OF CIVIL USE THE HELICOPTERS MAY BE DIVERTED
TO MILITARY USE (PARA 5 ABOVE).

B. U.S. IS AWARE OF THE TERMS OF THE CONTRACT CONVEYED
BY THE FRENCH COCOM DELEGATE TO THE U.S. DELEGATE ON
DECEMBER 6, 1973 WHICH SPECIFY "CIVIL VERSION FOR TRANS-
PORT, SEARCH AND RESCUE."

C. CAN FRENCH PROVIDE ANY FURTHER INFORMATION SINCE THAT
TIME GIVING ADDITIONAL EVIDENCE OR REASSURANCE AS TO CIVIL
USE? KISSINGER

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<< END OF DOCUMENT >>

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